

**U.S. Department of Justice**  
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*Western District of New York*

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# PRESS RELEASE

January 29, 2004

**RE: UNITED STATES v. EDWIN A. KANE, a/k/a ANDY KANE**

United States Attorney Michael A. Battle announced today a five-count Indictment, charging Edwin A. Kane, a/k/a Andy Kane, age 67, of 23 Summit Knolls Drive, Webster, New York, with Mail Fraud, in violation of Title 18, United States Code, Section 1341, carrying a maximum penalty of 20 years imprisonment, a fine of \$250,000.00, or both, and Equity Skimming, in violation of Title 12, United States Code, Section 1709-2, carrying a maximum penalty of 5 years imprisonment, a fine of \$250,000.00, or both. It should be noted that the fact that a defendant has been charged with a crime . . . is merely an accusation and the defendant is presumed innocent until and unless proven guilty. **(Disciplinary Rule 7-107(B)(6)).**

According to the Indictment, from in or about January 1, 1998 and continuing through in or about December 31, 2003, the defendant EDWIN A. KANE, a/k/a ANDY KANE, through his business Hacienda Holding Corp., purchased at least 16 homes in Rochester, New York, by fraudulently assuming mortgages guaranteed by the Federal Housing Administration and the United States Department of Housing and Urban

Development; he then rented these homes and kept the rent money for himself and his businesses, Hacienda Holding Corp., Allstate Rental Corp. and Andy Kane Realty, without using the money for payments on the fraudulently assumed mortgages. The mortgages fraudulently assumed by the defendant went into default within one year subsequent to his purchase. As a result, the Federal Housing Administration and the United States Department of Housing and Urban Development, as insurers of the mortgages, foreclosed on the homes and suffered a loss of approximately over \$600,000.

The Indictment was the culmination of an joint investigation on the part of the U.S. Department of Housing and Urban Development, Office of Inspector General, under the direction of Ruth Ritzema and the Federal Bureau of Investigation, under the direction of Special Agent in Charge Peter Ahern.

The evidence was presented to the Grand Jury by Tiffany H. Lee, Assistant United States Attorney, who will handle the trial of the case.

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